

Community Focus Fund Readiness to Proceed Guidelines

Revised 5/23/12

Readiness to Proceed Category	What Needs to be Done by the Application Deadline	What Must be in the CFF Application Document Submitted to the Office of Rural Affairs
Financing	<p>Financing for ALL local match must be in place. This means:</p> <p>For all funding sources: Resolution passed by the unit of local government committing the entire amount of local match and specifying the source.</p> <p>For all local match: written, signed statement by the chief financial officer of applicant (auditor, controller or clerk-treasurer) that funds are available for the local match and have been dedicated/set-aside for the project by resolution of the governing body.</p> <p>For State Revolving Fund - SRF (water and wastewater): IDEM must have approved the Preliminary Engineering Report (PER). Applicants must apply to the SRF program for the total funds needed in case the applicant does not receive a CFF Grant.</p> <p>For USDA-RD: Funds must be committed, with Form FmHA 1940-1 completed and signed - commitment of grant and/or loan funds by the USDA-RD.</p> <p>For Bank Loans: Bank has reviewed and approved loan and has provided a letter of commitment, including the amount of the loan, the term of the loan and the interest rate. It is not acceptable to have a bank loan commitment for short-term, interim or construction-period financing unless there is an accompanying commitment by the prospective purchaser of bonds related to the project. Applicants must demonstrate that all permanent financing has been secured.</p> <p>REMINDER: Capital assets to be assisted with federal CDBG Funds CANNOT be used as collateral for any loans by the grantees/subrecipient until they have received a Certificate of Completion for the project, issued by the Office of Community and Rural Affairs. This is typically 5 years after administrative closeout. The subrecipient must use other assets to secure loans/other funding if necessary.</p>	<p>The Project Financing portion of the Readiness To Proceed Certification Form must be completed and signed. You must also include:</p> <p>For all funding sources: Copy of the resolution passed by the unit of local government and specifying the source.</p> <p>For all local match: original written, signed statement by the chief financial officer of applicant (auditor, controller or clerk-treasurer) that funds are available for the local match and have been dedicated/set-aside for the project by resolution of the governing body.</p> <p>For State Revolving Fund (SRF): Copy of letter from IDEM/SRF approving the PER.</p> <p>For USDA-RD: Copy of Form FmHA 1940-1, completed and signed.</p> <p>For Bank Loans: Copy of letter of commitment, including the amount of the loan, the term of the loan, the interest rate and security. It is not acceptable to have a bank loan commitment for short-term, interim or construction-period financing unless there is an accompanying commitment by the prospective purchaser of bonds related to the project. Applicants must demonstrate that all permanent financing has been secured.</p>

Financing Cont'd	<p>For Bonds (general obligation, revenue, library): Applicants must ensure that the governing body has officially, by ordinance or resolution in accordance with Indiana Code, committed to the issuance of bonds and that bond counsel has reviewed and issued an opinion regarding bonding capacity.</p> <p>For funding from a sub-recipient: A letter of commitment from the nonprofit organization signed by its Chief Financial Officer, indicating the amount of the funding to be provided and the sources of such funding. Also, the Board of Directors must pass a resolution committing such funds to the project. The subrecipient must ensure that all funding is either on hand or has been secured from lending institutions or donations.</p> <p>For funding from Indiana Landmarks: A letter from the President of the Indiana Landmarks agreeing to subordinate their lien to OCRA and confirming their restrictive covenants are in place, they have reviewed the CFF/MSRP scope of work and approve of the construction and building use.</p>	<p>For Bonds (general obligation, revenue, library): Copy of resolution or ordinance by governing body approving the bond issue, and copy of opinion from bond counsel regarding bonding capacity.</p> <p>For funding from a sub-recipient: Copy of the letter of commitment from the non-profit organization signed by its Chief Financial Officer, indicating the amount of the funding to be provided, and the sources of all funding. Also, a signed copy of the nonprofit organizations approved resolution of the Board of Directors committing such funds to the project. The subrecipient must ensure that all funding is either on hand or has been secured from lending institutions or donations.</p> <p>For funding from Indiana Landmarks: Copy of letter from President of Indiana Landmarks.</p>
<p>REMINDER: Capital assets to be assisted with federal CDBG Funds CANNOT be used as collateral for any loans by the subrecipient until they have received a Certificate of Completion for the project, issued by the Office of Community and Rural Affairs. This is typically 5 years after administrative closeout. The subrecipient must use other assets to secure loans/other funding if necessary.</p>		
Philanthropic Capital	<p>For Philanthropic Capital: written, signed statement by the Chief Financial Officer of the 501c3 organization that the funds are available for the local match and have been dedicated/set-aside for the project, including source of funds. <u>Funds must be on-hand at the time of application and cannot be a donation made to the organization by the applicant.</u> All organizations not pre-approved as philanthropic by OCRA prior to application, will be determined at the discretion of OCRA, with the exception of County Community Foundations.</p>	<p>For Philanthropic Capital: original written, signed statement by Chief Financial Officer stating that the funds are available and committed to the project and listing the source of all funds. Copy of IRS designation as a 501c3.</p>

Environmental Review	<p>For Exempt Projects: Certificate of Exemption form.</p> <p>For Categorically Excluded Projects: written approval from OCRA's Grant Support Environmental Officer must be obtained prior to designating project as Categorically Excluded.</p> <ul style="list-style-type: none"> - Responses from the Agencies designated by the ER specialist indicating that there are no issues with the project must have been received - NOI/RROF ready to publish <p>For Environmentally Assessed Projects: all required agencies must have been contacted by letter regarding the project, including the Indiana Department of Natural Resources (DNR), the DNR State Historic Preservation Office (SHPO), the Indiana Department of Environmental Management (IDEM), US Fish & Wildlife Service, the Indiana Geological Survey, the USDA State Conservationist, the Indiana Department of Health, and any other applicable local regulatory agencies. US EPA must be contacted for projects in Elkhart, Kosciusko, Noble, LaGrange and St. Joseph counties.</p> <ul style="list-style-type: none"> - A response must have been received from each agency contacted. - Any issues raised by any agency must have been satisfactorily resolved prior to the date of deadline for application submittal. - Fomat II Equivalency completed. - Finding of No Significant Impact (FONSI) determined and ready to publish. 	<p>For Exempt Projects: Certificate of Exemption form.</p> <p>For Categorically Excluded Projects: the Environmental Review portion of the Readiness to Proceed Certification Form must be completed and signed, with the status marked as appropriate.</p> <p>For Environmentally Assessed Projects: the Environmental Review portion of the Readiness to Proceed Certification Form must be completed and signed, with the status marked as appropriate.</p>
Preliminary Engineering	<p>The Preliminary Engineering and/or Architectural Design must be completed. Work must be sufficient to confidently estimate the cost of the project. Cost estimates must be no more than 18months old.</p>	<p>The Project Engineering and/or Architectural Services portion of the Readiness to Proceed Certification Form must be completed and signed. Copies of the documents should not be submitted with the application, although portions of these documents may be included as supporting information for the Project Description section of the application and the detailed budget as appropriate.</p>

Permits	<p>All permits required for the project must be identified. It must be possible to secure all permits in sufficient time to complete the project within 18months following grant award.</p>	<p>The Status of Permits section of the Readiness to Proceed Certification Form must be completed and signed. Also included should be a listing of the required permits with the agency contact name and phone number for each.</p>
Site Control	<ul style="list-style-type: none"> - All title searches and title opinions must be completed. - The requirements of the federal Uniform Relocation and Acquisition Policies Act (URA) must have been fulfilled. - Appraisals, review appraisals and market estimates must be completed for all properties to be purchased unless the owner has waived their right. - All real property needed for the project must be acquired, under signed option to purchase or easement agreement. - A warranty deed will be required for any property to be conveyed as a part of the project. Quit claim deeds are not acceptable. 	<p>The Status of Site Control section of the Readiness to Proceed Certification Form must be completed and signed by the appropriate officials indicated on the Readiness to Proceed Certification Form.</p>